

Brigham Young University Trust Limited  
(A limited company and registered charity)

Annual report and financial statements

Year ended 31 December 2008

Company number: 1496990

Charity number 280605

SATURDAY



\*AJUMYEDY\*

A19 24/10/2009 356  
COMPANIES HOUSE

**Brigham Young University Trust Limited**

**Index to Annual report and financial statements**

**Year ended 31 December 2008**

---

	<b>Page</b>
<b>Report of trustees</b>	<b>1-7</b>
<b>Independent accountant's report</b>	<b>8-9</b>
<b>Statement of financial activities</b>	<b>10</b>
<b>Balance sheet</b>	<b>11</b>
<b>Accounting policies</b>	<b>12</b>
<b>Notes to the financial statements</b>	<b>13-15</b>

## **Brigham Young University Trust Limited**

### **Report of the trustees for the year ended 31<sup>st</sup> December 2008**

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31<sup>st</sup> December 2008.

#### **Legal and administrative details**

Charity number: 280605

Company number: 1496990

Principal Office: 751 Warwick Road, Solihull, West Midlands, B91 3DQ

Accountant	Paul Stobbs Chartered Accountant	1 Summer Hollow, Broadmore Green, Rushwick, Worcester WR2 5TE.
Bankers	Barclays Bank PLC	155 Brompton Road, London, SW3 1XD.
Solicitors	Devonshires	Salisbury House, London Wall, London, EC2M 5QY.

#### Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year-end were as follows:

Terry Joe Spallino (Resigned 10<sup>th</sup> December 2008)

Clive Richard Jolliffe (Resigned 10<sup>th</sup> December 2008)

Robert John Mulligan

Gregory William Reeves (Appointed 10<sup>th</sup> December 2008)

Rainer Herbert Gottlieb Wiborny (Appointed 10<sup>th</sup> December 2008)

## **Structure, Governance and Management**

### Governing Document

Brigham Young University Trust Limited is a limited company and a registered charity. The Charity is governed by its Memorandum and Articles of Association.

### Appointment of trustees

As set out in the Articles of Association, new or additional trustees are to be appointed by the shareholder (Brigham Young University), providing such persons are willing so to act either to fill a vacancy or as an additional trustee.

The shareholder will also determine the rotation and time in which trustees are to retire. Currently no term is fixed to the term served. Trustees shall not be less than two or more than seven in number.

The Shareholder may, from time to time, vary the minimum or maximum number of trustees.

### Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity.

During the induction day they meet key employees and other trustees. Trustees are updated and advised on legal issues by Devonshires Solicitors.

### Organization

The board of trustees, which can have up to 7 members, administers the charity. The board meets at least twice a year. Reports are received in or around each October for the following financial year from the heads of each department for approval by the Trustees. In or around March each year each department gives a report on the previous year.

The trustees monitor progress throughout the year and other trustees meetings are held as and when required.

### Employees

The Charity has the policy of ensuring that its employees are those that are able to meet the necessary requirements of their position and are up to date on any developments required for their position. This is achieved in a variety of ways:

- Applications for new positions in the charity are invited from anyone with the relevant qualifications - the key emphasis is on their ability to meet the requirements of the position although the application form does request the applicant to mention if they have any illnesses or medical condition which the employer would need to be aware of in order to make reasonable adjustments should they be successful
- The charity utilizes regular staff meetings during the year which help to ensure that the employees' input is received regarding any decisions which affect their interests. In addition there are websites and e-mail facilities available to enable more effective communication and training. This helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of the charity.
- In addition to the above points the charity is mindful of the need to cater for those with disabilities. Where any employees become incapacitated during their employment they are entitled to receive long term disability benefits from the charity. Where an employee becomes

disabled but not incapacitated the employer will make any reasonable adjustments necessary. On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on technical ability of each employee.

### Related parties

None

### Risk management

#### Financial risk

The following statements summarize the charity's policy in managing identified forms of financial risk:

- Price risk – Salary costs are communicated to staff during the formal annual review of salaries.
- Credit risk – Credit risk on amounts owed to the charity by its customers is low as the majority of its debtors are those who have been used frequently by the charity in the past and have a proven reliability.
- Liquidity risk – The charity has no long-term borrowings. Assurances of continuing financial support have been received from the parent company.
- Interest rate cash flow risk – The charity is able to place surplus funds on short term deposit with the company's bankers.

In addition, the trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the strategy; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

### **Objectives and activities**

The object of the charity is:

- To promote and further the educational and other charitable work of Brigham Young University in the United Kingdom or elsewhere.

To achieve this objective Brigham Young University Trust Limited continues to provide its premises based at 27 Palace Court, London, W2 for its Study Abroad Program.

The Trust's premises are managed on a day-to-day basis by David and Terri Shuler, employees of Brigham Young University, under the overall direction of the trustees. The Trustees are grateful for all their excellent work and assistance.

Because of its educational work the charity is registered with the Department of Education and Skills. It is also a member of the AASAP-UK (American Association of Study Abroad Providers).

## Achievements and performance

The Brigham Young University Trust programs are administered from the BYU Provo campus by the Office of International Study Programs (ISP). In 2008 ISP sent 349 students on programs to the United Kingdom. The following table enumerates the programs which operated under the auspices of the BYU Trust in 2008 academic year:

### UK PROGRAMS - Calendar Year 2008

Program name and semester/term	Enrollment
Cambridge Honors Study Abroad – Summer 2008	9
Wales Study Abroad – Summer 2008	13
English Language – Summer 2008	30
London Theater Study Abroad – Spring 2008	36
London Accounting – Spring 2008	17
Art History – Spring 2008	23
Internships	15
*London General Education Study Abroad – Winter 2008	40
*London General Education Study Abroad – Spring 2008	41
*London General Education Study Abroad – Summer 2008	38
*London General Education Study Abroad – Fall 2008	41
King Arthur's Great Britain – Summer 2008	11
Europe Business – Summer 2008	35
Total	349

\*These programs are based at the BYU London Center at 27 Palace Court, London.

32 more students came to the UK this year than the previous year to study at the centre. Each semester, different students travel to London. A number of single discipline and interdisciplinary programs of study are offered, including courses in English, sociology, ancient scripture, history, language, literature, art and theatre.

Students and faculty live at the BYU London Centre, two impressive Victorian town-houses (one a former embassy) on Palace Court in west-central London.

Other developments in 2008 include:

- David and Terri Shuler, the new resident director couple began their assignment at the start of 2008. They are the first American couple to serve in the position and have worked extremely hard to ensure that the centre has operated efficiently during the year.

### **Financial Review**

The charity continues to be funded by a combination of rental income, interest and contributions from Brigham Young University in the USA. Each year the trustees carry out a detailed review of each department of the charity. They review the previous year's achievements and review and approve the budgets for next year.

The end of the year saw an increase in the incoming resources from £292,955 in 2007 to £328,806 in 2008. This was primarily due to the increase in donations from the parent company, Brigham Young University from £276,520 in 2007 to £321,853 in 2008 to cover expenses incurred for the year. The other incoming resources for the year were composed of rental income of £5,911 and interest income of £1,042.

Resources expended reduced from £292,955 in 2007 to £268,788 in 2008. This was primarily due to the reduction in wages and salaries as David and Terri Shuler have their salary costs paid for by the parent company, Brigham Young University.

Incoming resources exceeded resources expended for the year by £60,018.

### Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

There were no investments during the year.

### Reserves policy

Reserves maintained by the charity are for the purpose of meeting expenditure on charitable activities. The trustees endeavour to ensure that there are always sufficient funds held in advance for such activities in conjunction with the parent company that provides the donations to maintain the required level of funds. At the 31<sup>st</sup> December 2008 the reserves held were £60,118.

### **Plans for future periods**

In 2009 we are running the following programs in the United Kingdom:

<b>Program name and semester/term</b>	<b>Enrollment</b>
Cambridge Honors Study Abroad – Summer 2009	12
Wales Study Abroad – Summer 2009	10
English Language – Summer 2009	30
London Theater Study Abroad – Spring 2009	35
London Accounting – Spring 2009	17
British Literature – Spring 2009	30
Internships (Throughout year)	8
*London General Education Study Abroad – Winter 2009	40
*London General Education Study Abroad – Spring 2009	41
*London General Education Study Abroad – Summer 2009	41
*London General Education Study Abroad – Fall 2009	41
Europe Business – Spring 2009	30
Total	335

\*These programs are based at the BYU London Centre at 27 Palace Court, London.

The following plans/issues will be dealt with in 2009:

- New immigrations regulations require that the charity formally apply to become a licensed sponsor with the UK Border Agency. This application was approved in early 2009.
- Under the new immigration regulations, Brigham Young University's ability to send interns to the UK will be severely limited, at least in the short term. Consequently, there will be a reduction in the number of students who will work at Westminster and Edinburgh.
- Apart from replacing some of the old water heaters there are no major renovations of the London Centre planned in 2009.

### **Trustees' responsibilities in relation to the financial statements**

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make sound judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement on disclosure of information to the charity's accountant**

So far as we are aware, there is no relevant accounting information of which the charity's independent accountant is unaware; and

As the trustees of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant accounting information and to establish that the charity's accountant is aware of that information.

### **Auditors**

As the charitable company was entitled to avail of audit exemptions under section 249 of the Companies Act 1985, no audit was required for the accounts

On behalf of the trustees

Gregory William Reeves

Trustee

Date 23 October 2009

**ACCOUNTANT'S REPORT TO THE MEMBERS OF  
Brigham Young University Trust Limited  
for the year ended 31st December 2008**

---

**Accountant's report to the members of Brigham Young University Trust Limited**

I report on the financial statements for the year ended 31st December 2008 which comprise the statement of financial activities, the balance sheet and related notes.

**Respective responsibilities of directors and examiner**

The directors also act as trustees for the charitable activities of Brigham Young University Trust Limited.

The charity's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year as the charity's gross income does not exceed £500,000 in either the current financial year or the financial year immediately preceding this year.

Therefore an independent examination is needed.

It is my responsibility to:

- a      Examine the accounts.
- b      Follow the procedures laid down in the General Directions given by the Charity Commissioners.
- c      Give due regard to the requirements of the Companies Act 1985 as applicable.

**Basis of accountant's report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

**ACCOUNTANT'S REPORT TO THE MEMBERS OF  
Brigham Young University Trust Limited  
for the year ended 31st December 2008**

---

**Accountant's statement**

It is my view that:

- a The accounts of the company for the year ending 31st December 2008 are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.
- b Having regard only to, and on the basis of, the information in those accounting records, these accounts have been drawn up in a manner consistent with the provisions of the Act as specified in subsection (6) of section 249C, so far as applicable to the company.
- c Having regard only to, and on the basis of, the information in the accounting records, the company satisfied the requirements of section 249A(4), for the financial year ended 31st December 2008, and did not fall within section 249B(1) (a) to (f) at any time during the financial year.

In connection with my examination, no matter has come to my attention:

- d Which gives me reasonable cause to believe that in any material respect the requirements:
  - i To keep accounting records in accordance with section 41 of the Charities Act 1993.
  - ii To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act.have not been met; or
- e To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: Paul Stobbs  
Professional  
Qualification: Associate, Institute of Chartered Accountants in England & Wales  
Address: 1 Summer Hollow  
Broadmore Green  
Rushwick  
Worcester  
WR2 5TE

Date: 23 October 2009

**Brigham Young University Trust Limited**  
**Statement of financial activities**  
**for the year ended 31 December 2008**

	Notes	2008 £	2007 £
<b>Incoming resources</b>			
<b>Incoming resources from generated funds</b>			
<i>Voluntary Income</i>			
Donations from Brigham Young University	1	321,853	276,520
<i>Investment Income</i>			
Rental income	1	5,911	15,348
Interest income		1,042	1,087
<b>Total Incoming resources</b>		<b>328,806</b>	<b>292,955</b>
<b>Resources expended</b>			
Charitable activities	2b	268,788	290,580
Governance costs	2c	375	2,375
<b>Total resources expended</b>		<b>269,163</b>	<b>292,955</b>
<b>Net movement in funds</b>		<b>59,643</b>	-
Total funds brought forward		-	-
Total funds carried forward		<b>59,643</b>	-

The Statement of Financial Activities constitutes an Income and Expenditure account for the purposes of the Companies Act 1985.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities.

The result for the year arises from the company's continuing activities.

The notes on pages 13 to 15 form part of these financial statements.

**Brigham Young University Trust Limited****Balance sheet as at 31st December 2008**

	Notes	2008 £	2007 £
<b>Current Assets</b>			
Cash at Bank and in hand		63,358	36,564
		63,358	36,564
Creditors: Amounts falling due within one year	4	3,615	36,464
<b>Total assets less current liabilities</b>		<b>59,743</b>	<b>100</b>
		<b>=====</b>	<b>=====</b>
<b>The funds of the charity</b>			
Unrestricted income funds:			
Unrestricted income		59,643	-
Called up share capital	5	100	100
		=====	=====
<b>Total charity funds</b>		<b>59,743</b>	<b>100</b>
		<b>=====</b>	<b>=====</b>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

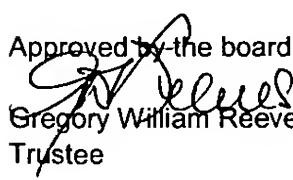
The directors have taken advantage of the Companies Act 1985 by not having these accounts audited under Section 249A(2) (partial exemption).

The directors have acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of the profit or loss for the year then ended in accordance with the requirements of Section 226 of the companies Act 1985 and which otherwise comply with the requirements of this Act relating to Accounts, so far as applicable to this company.

The directors have acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985.

The directors have confirmed that no notice has been deposited under section 249B(2) of the Companies Act 1985

Approved by the board

  
Gregory William Reeves  
Trustee

Date 23 October 2008

## **Brigham Young University Trust Limited**

### **Accounting policies**

---

#### **BASIS OF ACCOUNTING**

The financial statements have been prepared in accordance with the SORP 2005 and under the historical cost convention in accordance with applicable accounting concepts.

#### **ACCOUNTING CONCEPT**

The company's basis of accounting is that income is recorded on the accruals basis. Expenditure is recorded on a cash basis but modified for certain items of accrued expenditure. The effect of not preparing financial statements fully on the accruals basis is not considered by the directors to be material.

#### **CASH FLOW STATEMENT**

No cash flow statement has been prepared as the company meets the small company exemption limits as defined by S247 of Companies Act 1985.

#### **FRS 18**

The directors have reviewed the accounting policies and confirmed that they are the most applicable.

#### **PENSION CONTRIBUTIONS**

The company is party to a defined benefit scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans (see note 10). The fund is valued every three years by a professionally qualified independent actuary, with rates of contributions payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of contributions made during the year or accrued at the year-end (i.e. on a defined contribution basis), as required by Financial Reporting Standard 17 "Retirement Benefits" in circumstances where the company cannot identify with any degree of accuracy its share of the scheme assets and liabilities. The company provides no other past retirement benefits to its employees.

Full details of the plan are provided in the financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain).

**Brigham Young University Trust Limited**  
**Notes to the financial statements**  
**for the year ended 31st December 2008**

---

**1 Incoming resources**

Donations totalling £321,853 (2007 £276,520) were contributed by Brigham Young University

Rental income of £5,911 (2007: £15,348) was wholly generated in the United Kingdom.

Interest income totalling £1,042 was derived from funds held in the bank accounts.

**2a Analysis of charitable activities**

	Total 2008 £	Total 2007 £
Provision of educational facilities	268,788	290,580

---

**2b Charitable activities allocation**

	Total £
Staff costs	31,393
General office	10,603
Food and kitchen supplies	71,013
Rates and insurance	17,308
Maintenance & repairs	42,060
Utilities	32,106
Telephone	3,706
Travel	1,885
Other expenditure	2,367
Program Costs	56,347
	<b>268,788</b>

---

All of the above charitable costs constitute support costs and entirely relate to the provision of educational facilities

**2c Governance costs**

	Total 2008 £	Total 2007 £
Accounting costs	375	2,375

---

Certain management and administrative costs, have been borne by The Church of Jesus Christ of Latter-day Saints (Great Britain).

**Brigham Young University Trust Limited**  
**Notes to the financial statements**  
**for the year ended 31st December 2008**

<b>3 Employees</b>	<b>2008</b>	<b>2007</b>
	<b>No.</b>	<b>No.</b>
Employed by the company during the year was:		
Office	<u>4</u>	<u>7</u>
	2008	2007
	£	£
Staff costs for the above persons:		
Wages and salaries	29,427	99,469
Social security costs	1,965	9,927
Other pension costs	-	13,148
	<u>31,392</u>	<u>122,544</u>
 <i>DIRECTORS' REMUNERATION</i>		
None of the directors who served during the year ended 31 December 2008 received remuneration from this company, nor was any charge made to the company for their services by any other group company. Additionally, no director received reimbursement for expenses incurred during the year.		
<b>4 Creditors: Amounts falling due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Other creditors	3,615	-
Amounts owing to group undertakings	-	36,464
	<u>3,615</u>	<u>36,464</u>
<b>5 Share capital</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Authorised		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and issued		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>6 Reconciliation of movement in shareholders' funds - unrestricted</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Result for the financial year	59,643	-
Opening shareholders' funds	<u>100</u>	<u>100</u>
Closing shareholders' funds	<u>59,743</u>	<u>100</u>

**Brigham Young University Trust Limited**

**Notes to the financial statements**

**for the year ended 31st December 2008**

---

**7 Related party transactions**

The parent company is Brigham Young University, a corporation incorporated in the state of Utah, United States of America.

Brigham Young University fully subsidises the expenditure of the Brigham Young University Trust Limited. For the year ended 31 December 2008 this amounted to £321,853 (2007: £276,520). The balance due to Brigham Young University at the year end was £0 (2007 £36,464).

The hostel providing accommodation to students is owned by The Church of Jesus Christ of Latter-Day Saints (Great Britain) and is rent free.

**8 Ultimate holding company**

The company is owned by Brigham Young University, a company incorporated in USA.

The ultimate holding company and controlling party is The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, a corporation incorporated in the state of Utah in the United States of America.

**9 Future finance**

Brigham Young University has confirmed that it will provide the funds to support the company's future activities.

**10 Pension and other post employment commitments**

The Company participates in a pension scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans ("The Plan"). The scheme is of the defined benefit type and is funded by contributions from the participating companies and their employees at rates determined by independent actuaries in the light of regular valuations. Such contributions are held in trustee-administered funds completely independent of group finances. Full disclosure of the valuation is shown in the accounts of The Church of Jesus Christ of Latter-day Saints (Great Britain).

The company has accounted for the scheme as if it was a defined contribution scheme because it is not feasible to split the assets and liabilities of the scheme between all the companies whose employees are members. Contributions to the scheme for the year were £0 (2007: £13,148).